IN THE HIGH COURT OF JUDICATURE AT BOMBAY

ORDINARY ORIGINAL CIVIL JURISDICTION

COMPANY APPLICATION NO.867 OF 2006

IN

COMPANY PETITION NO.507 OF 2006

IN

B.I.F.R. CASE NO.63 OF 1998

Board of Industrial & Financial
Reconstruction .. Petitioner

Versus

M/s.Arlabs Ltd. .. Respondent.

Mr.M.A.Shah i/b.A.G.Shah for the respondent.
Mrs.K.V.Gautam, Dy.O.L. present

CORAM : Dr.D.Y.CHANDRACHUD, J.

17TH APRIL, 2007.

P.C.:

1. The relief sought in the company application is for recalling the order dated 29th June, 2006 passed by this Court admitting the company petition (C.P.No.507 of 2006) which arose out of B.I.F.R. Case No.63 of 1998.

2. The company was declared as a sick industrial company on 16th March, 1998 under the Sick Industrial Companies (Special Provisions) Act, 1985. On 25th August, 2003, the B.I.F.R. formed the opinion in exercise of powers conferred by Sec.20(1) of the Act that it was just equitable and in the public interest that the company be wound up. On the basis of the recommendations of the B.I.F.R., the learned Single Judge on 29th June, 2006 admitted the petition and appointed the Official Liquidator as Provisional Liquidator. The attention of the Court has been drawn to the fact that on 3rd August, 2005, the A.A.I.F.R. while admitting the appeal against the order of the B.I.F.R. dated 25th August, 2003 stayed the operation of the order passed by the B.I.F.R. That being the position, the order of admission dated 29th June, 2006 could not have been passed on the basis of the order of the B.I.F.R., which had been stayed in the meantime.

3. In the circumstances, the company application will have to be allowed and is accordingly made in terms of prayer clause (a).